



North Carolina District Review

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The *District Review* is available via e-mail or fax. To receive via e-mail, visit www.sba.gov and click on 'Subscriptions.' To receive via fax, notify Cecelia Rolls by phone at 704-344-6810, by fax at 704-344-6769 or e-mail at cecelia.rolls@sba.gov.

LENDER RANKINGS – FY2003 YTD

October 1, 2002 – June 30, 2003

LENDERS

	No. of Loans			\$ Amount
	<u>7(a)</u>	<u>504</u>	<u>Total</u>	<u>Millions</u>
Large Banks				
1. Bank of America	171	0	171	\$4.8
2. First Citizens Bank & Trust Company	27	11	38	\$7.5
2. Capital One Bank	38	0	38	\$1.6
3. Branch Bank & Trust Company	7	16	23	\$10.4
4. Wachovia Bank	20	1	21	\$6.2
Community Banks				
1. Surrey Bank & Trust Company	20	0	20	\$4.5
2. Capital Bank	12	1	13	\$3.7
3. First Commerce Bank	10	3	13	\$1.7
4. Bank of Granite	11	1	12	\$3.9
5. The Fidelity Bank	10	1	11	\$1.8
5. Southern Bank & Trust Co.	10	1	11	\$1.6
Small Business Lending Companies				
1. Self-Help Credit Union	24	1	25	\$2.6
2. CIT Small Business Lending Corporation	23	0	23	\$10.7
3. G.E. Capital Small Business Financing	7	2	9	\$6.2
Certified Development Companies				
1. Self-Help Ventures Fund		28	28	\$14.5
2. Charlotte Certified Development Corporation		13	13	\$3.9
3. Centralina Development Corporation		7	7	\$3.9
4. Wilmington Industrial Development Corporation		6	6	\$1.9

USING A 504 LOAN TO HELP YOUR BUSINESS CUSTOMERS

By Jim Overton, Director, 504 Lending, Self Help Ventures Fund

Do you have a small business customer with expansion needs who wants a fixed asset loan through your institution but doesn't quite meet your underwriting guidelines? The **SBA 504 loan program** may be the solution you need.

You can use SBA 504 financing to help your customers:

- Purchase land and build new buildings.
- Buy an existing building.
- Renovate and expand a building they already own.
- Purchase heavy-duty machinery and equipment.
- Pay for the soft costs related to these transactions.

The 504 loan program is run through Certified Development Companies (CDCs) – non-profit economic development corporations that the SBA has designated to administer the 504 program. Working together as partners, a CDC, the SBA, a lending institution, and a borrower make a 504 loan project possible. A typical deal structure looks like this:

- The lender provides 50% of permanent financing of the total project costs, and has first lien position on project assets;
- The CDC/SBA provides up to 40% of permanent financing for project costs, and has second lien position;
- The business owner provides an equity injection of at least 10%.

504 loans are especially useful for rapidly growing and slightly newer businesses:

- The low down payment preserves their cash for working capital.
- Long amortization schedules – 20 years on real-estate deals, 10 years on equipment deals – keep payments low.
- Rates are fixed and generally below-market, thus providing a solid payment structure for years to come.

To find the CDC nearest you, go to: <http://www.sba.gov/nc/nccdc.html>.

SBA LENDER'S FORUMS 2003

The SBA and the NC Small Business & Technology Development Center (SBTDC) are offering Lender's Forums. These sessions will help keep lenders up-to-date about SBA programs and policies. Also covered will be programs available through SBTDC. These sessions are available to all commercial lenders—new lenders and those that need an SBA refresher. Call Gary Borchardt (704) 344-6377 or Celia Rolls at (704) 344-6810 for more information.

Date	Location
July 24	Wilmington
August 19	Greensboro
August 20	Charlotte
September 9	Asheville
September 11 & 12	Raleigh
September 16	Hickory
September 17	Boone
September 18	Chapel Hill
October 21	Greenville

SBA UNVEILS NEW WEB DESIGN FOR WWW.SBA.GOV

In May 2003, SBA launched a new web design with many customer-focused features.

The redesigned sba.gov site is one of several E-Government initiatives aimed at making small business information from multiple sources available to citizens at one, comprehensive online location. The re-configured SBA site has an entirely new look.

Key Features for lenders include sections for “[SBA Partners](#)” and “[Programs For the 7\(a\) Lender](#).” Visit <http://www.sba.gov> and click on FINANCING.

Please e-mail your suggestions and comments to <mailto:webfeedback@sba.gov>.

SBA's OFFICE OF ADVOCACY LAUNCHES NEW “REGULATORY ALERTS” WEB PAGE

North Carolina small business owners have a new tool to help cut through the complex and confusing federal regulatory process. This is an excellent resource for any of your clients that are experiencing regulatory problems. The recently launched Regulatory Alerts web page of the Office of Advocacy now provides:

- One-stop access to proposed regulations
- Ability to submit comments on the proposal
- Direct access to Advocacy staff
- Links to other regulatory related sites.

The new site divides proposed regulations into easily understood subject areas such as environmental; safety, health and labor; and tax. Advocacy encourages small businesses affected by the proposed rules to provide the Federal agency issuing the notice with comments on the rule and the agency's analysis of potential impacts on small business.

The new page is located in the Office of Advocacy web site at <http://www.sba.gov/advo>.

POLICY CHANGES AND CLARIFICATIONS

PLP and PCLP Policy and Processing Requirements for SBA Form 912

A loan may now be processed using PLP or PCLP procedures when any “Character Question” on an SBA Form 912, Statement of Personal History, is answered “Yes” provided the 912 has been cleared by the SBA District Office prior to submission to the PLP Processing Center.

To request clearance, the lender must submit a brief description of the business along with SBA Form 912 and required attachments including fingerprint cards if there was a felony or if requested by the district office.

Questions should be directed to our Finance Division at (704) 344-6810. To view the new SOP revision, see SOP 50 10 at <http://www.sba.gov/library/soprooom.html>. SOP 50 10 is the loan processing manual.

MONTHLY LENDER WORKSHOP

The NC District Office conducts Lender Workshops from 9:00 a.m. until 12:15 p.m. on the second Tuesday of each month at the Charlotte office. See below for upcoming dates. The workshops focus on SBA Loan Programs and borrower eligibility. Walk-ins are welcome, but the presenter appreciates knowing if you are planning to come. Call Gary Borchardt at (704)344-6377 to register.

August 12	October 14
September 9	December 9

Also, if you would like to have the same group training on-site at your bank, please call to schedule.

LENDERS SBA WEB SITE – “www.sba.gov/banking”

SBA website contains complete information on all SBA loan programs, all SBA forms, Policy and Procedural Notices, SBA Regulations and Standard Operating Procedures. You also will find the standardized 7(a) Loan Authorization and information on 1502 reporting procedures. This is intended to be a one-stop site; however if other information is needed or would be beneficial to you as a lender, please let us know.

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